SYNOPSIS

1. Title of the Thesis -

"Impact of Micro Finance on Levels of Living of Rural Women

(with special reference to Ahiwara and Dhamdha Block of Durg District)

2.Introduction -

In India, the beginning of microfinance movement could be traced to Self Help Group (SHG) – Bank Linkage Programme (BLP) started as a pilot project in 1992 by NABARD. This programme proved to be very successful and has also developed as the most popular model of microfinance in India.

In India, the institutions which provides microfinance services includes, NABARD Small Industries Development Bank of India (SIDBI), RashtriyaMahilaKosh, Commercial Banks, Regional Rural Banks, Co-operative Banks and Non Banking Financial Companies (NBFCs).

Microfinance institutions are those which provide credit and other financial services and products of very small amounts to poor in rural, semi-urban and urban areas for enabling them to raise their income and improve their standard of living.

There are many more advantages of it like -

- Usually rural sector depends on non-institutional agencies for their financial requirements.

- Due to micro finance poor people get employment.

- Normally more than 50% of SHGs are formed by women.

- Finance plays a key role in stimulating sustainable economic growth.

- Microfinance develops saving habits among people.

- Micro financing has been a boon to potential rural entrepreneurs.

- Microfinance promotes mutual help and co-operation among members.

- With employment generation the level of income of people increases.

3. Review of Literature –

Research has been done on various aspects of the this subject from time to time -

Singh (2003) had explained the failure of government initiated anti-poverty programmes and the success of microfinance programme as an effective poverty alleviation strategy in India.

Hulme and Mosley (1996, p.109) in a comprehensive study on the use of microfinance to combat poverty, argue that well-designed programmes can improve the incomes of the poor and can move them out of poverty.

Morduch (1998) in his study investigated a cross-section data of nearly 1800 households in Bangladesh served by microfinance programmes of the Grameen Bank, BRAC and BRDB in 1991-92.

International LabourOrganisation (ILO) (1998) in its different projects concluded that microfinance had successfully increased micro-enterprises and selfemployment of the clients.

Coleman (1999) studied the impact of microfinance lending of village bankingprogramme in Thailand. He looked at two microfinance institutions, the Rural Friends Association and the Foundation for Integrated Agricultural Management.

Sheokand (2000) discussed the evolution of Indian banking and its failure to provide credit facilities to poor people. NABARD started Self Help Group – Bank Linkage Programme in 1992, which was considered as a landmark development in banking with the poor.

Gurumoorthy (2000) explained the Self Help Group (SHG) as a viable alternative to achieve the objectives of rural development and to get community participation in all rural development programmes. It was an organised set up to provide micro-credit to the rural women on the strength of the group savings without insisting on any collateral security for the purpose of encouraging them to enter into entrepreneurial activities and for making them enterprising women.

Rutherford (2000) and Armendáriz&Morduch (2005) explained the differencebetween microfinance and micro-credit. Micro-credit referred specifically to small loans given to the poor people but microfinance was a broader term embraced efforts to collect savings from low-income households, provide consumption loans
Gaonkar (2001) studied the impact of SHGs on women in Goa. For this purpose, the data was collected from 5 women SHGs situated in Bardez and Bicholimtalukas in Goa.

Robinson (2001) in a study of 16 different MFIs from all over the world shows that having access to microfinance services has led to an enhancement in the quality of life of clients, an increase in their self-confidence, and has helped them to diversify their livelihood security strategies and thereby increase their income.

Todd (2001) studied the impact of share Microfinance Ltd. on its clients in Andhra Pradesh, India. The study compared 125 share clients to 104 new clients who had yet to receive any exposure to the programme.

Bhatt, Nitin and Shui-Yan Tang (2001), "Delivering microfinance in developing countries: Controversies and policy perspectives" in Policy StudiesJournal, vol. 29, Issue. 2, pp. 319.

Harper (2002) studied the differences, outreach and sustainability of the SHGbanking system and Grameen banking system of providing microfinance. SHG bank linkage and Grameen banking systems dominated the microfinance markets in India and Bangladesh respectively.
Khandker (2003) measured the impact of microfinance institutions on the poorpeople using the panel data of two time periods of 1991-92 and 1998-99 in Bangladesh.

Gaonkar's (2004) research paper aimed at evaluating the role of SHGs in theempowerment of women. The study concluded that the microfinance programme had made a lasting impact on the lives of women particularly in rural areas of Goa. There was an increase in income, savings and consumption expenditures.

Zohir and Matin (2004, p.301) make a similar point when they state that the impact of microfinance interventions is being under-estimated by "conventional impact studies which do not take into account the possible positive externalities on spheres beyond households". They propose that impact should be examined from cultural, economic, social and political domains at individual, enterprise and household levels (2004).
Kabeer and Noponen (2005) in their paper set out the findings of a socioeconomic impact study of PRADAN's microfinance programme carried out in Jharkhand, one of the poorest states in India.

Dorado, Silvia and Rick Molz (2005), "Co-Evolution of Boards of Directors in Microfinance Organizations: The Case of Bancosol and Los Andes" in Journal of Developmental Entrepreneurship, vol. 10, iss. Aug, pp. 99.

Sharma (2007) examined the impact of participation in microfinance programme on women's autonomy and gender relations within the household. For this purpose participants of the programme were surveyed in Hill and Terai areas of Nepal during the period 2004 to 2006.

Sahu and Das (2007) studied the performance of SHGs in promoting womenempowerment in Gajapati district of Orissa state in India.

Although the above studies have stressed on the role of financial institutions in improvising the economic condition of women, but not on rural women. Thus the present study will focus on the impact of these financial institutions on the living of rural women.

4.Objectives -

a) To study the socio economic characteristics of sampled beneficiaries.
b) To find out the impact of micro finance on the levels of living of women beneficiaries..
c) To explore the women involvement in economic activities.
d) How many financial institutes have made micro finance to women ? What is their status ?
e) What hurdles women have to face in the process of getting micro finance from financial institutions ?
f) To suggest some measures on the basis of findings of study.

5. Proposed Methodology –

Coverage – The proposed study will be conducted in Durg District of Chhattisgarh to make a micro study in two blocks; Dhamdha and Ahiwara. In these two selected blocks, 200Rural Women will be taken for exhaustive study. Apart from them, many financial institutions will also be interviewed who have financed them.

Collection of Data- The present study is based on primary data collection. The data will be collected through pre-tested schedule. Direct personal investigation method will be used to collect information from sample women beneficiaries.

a) Analysis of Data- In views of the objectives of the study different statistical techniques will be used to analyze the data .These are given as follows-

i.) Coefficient of variation -

$$C.V. = \frac{\text{Standard Deviation}}{\text{Mean}} \times 100$$

ii.) Association of Attributes- Association of attributes will be used to analyze the data along with percentage, average, and graphical method.

Tools to be Used– The following tools to be utilized in the proposed study –

A. Scheduled – Two categories of questionnaire will be formed for two categories of respond one for beneficial rural women and one for related financial institute.

B. Map & diagrams will be presented with the help of computer.

C. Photograph will be taken with the help of camera.

D. Govt. record will be used for the information about their actual position

E. The result of the research work will be based on data collection taken during 11^{th} five year plan 2007 to 2012.

6. Expected outcome of the proposed work

Outcome of the proposed work will be that the rural women get equal rights as that of the men. It will increase the mobility of women within and outside their locality. It will improve the literacy rate, and levels of living of the family members. It will enhance confidence, courage, skill development and empowerment among rural poor women. There will be increase in income, savings and consumption expenditures. With the increase in self-confidence of the women, the social horizon of the women also widen. It is also expected that with improvements in socio-economic opportunities for women and their ability to take collective action, there will be a significant decline in gender based problems such as domestic violence, dowry, polygamy etc.

7. Conceptual Framework

The proposed work has been divided into 6 chapters -

Chapter One ----- Introduction

1.1 Importance of Finance
1.2 Introduction and importance of Micro Finance
1.3 Importance of Micro Finance in rural women
1.4 Review of Literature
1.5 Objectives
1.6 The scope and location of study
1.7 Methodology, Hypothesis and Reference time

Chapter Two ----- Socio-Economic Profile of Durg District

2.1 Introduction --- (Origin, Geographical status, Climate, Administration)

2.2 Demographic characteristics

A) Population Distribution

B) Density

C) Sex Ratio

D) Literacy rate

2.3 Industrial situation

2.4 Utilization of Land ---- (Agricultural and Non agricultural)

2.5 Mineral Resources

2.6 Transportation and Communication

2.7 Financial facility

Chapter Three ----- Socio-economic status of sample women beneficiaries.

3.1 Family background and the size of the family

3.2 Education situation

3.3 Income structure

3.4 The situation of Employment

3.5 Tendency towards Expenditure

3.6 Economic aspiration

Chapter four----- Financial Institutions in Durg District

4.1 Introduction of Finance Institutions

4.2 Establishment and Development of Financial Institutions

4.3 The status of Micro Finance Institute

4.4 Establishment of Institutions in Rural areas

4.5 The situation of Micro Finance in Rural womens.

Chapter five---- Impact of Micro Finance on women beneficiaries

5.1 Impact on Income

5.2 Impact on Employment

Chapter six ---- Summary,Conclusions and Suggestions

6.1 Summary and Conclusions

6.2 Suggestions

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